



October 7, 2010

RE: Ernest Communications, Inc., FEIN .3,

.3, Docket 2001-447-C

Missing Annual SC USF Return and Sept 29, 2010 Petition of the Office of Regulatory

Staff for Show Cause Proceedings

Dear Honorable Commissioners c/o Robert Sutherland,

The purpose of this letter is to notify you that we have received the Sept 29, 2010 Petition of the Office of Regulatory Staff for Show Cause Proceedings. The report is attached. The report was missed because we changed tax preparation firms and the previous tax preparer was supposed to file this return. We deeply apologize for the oversight and the hassle this has caused your staff. Attached is a letter we sent to all Agencies on the tax preparer change.

We respectfully request that you restore our Company to good standing with the Commission.

Please do not hesitate to contact Mark Lammert CPA at 407-260-1011 if you have any questions or concerns.

Sincerely

Paul Masters

President

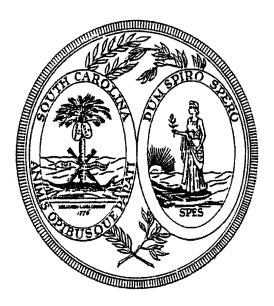
Ernest Communications, Inc

cc: Mark Lammert, Compliance Solutions, Inc.

SINU JIMIN

## 2010 South Carolina Universal Service Fund Contribution Worksheet Revenues for Year Ending 12/31/2009

## Ernest Communications, Inc. Name of Company



## Form must be completed and returned by July 1, 2010 to:

South Carolina Office of Regulatory Staff Universal Service Fund Administrator 1401 Main Street, Suite 900 Columbia, SC 29201

| For ORS Use Only |
|------------------|
| USF FORM         |
| Entered:         |
|                  |
|                  |
|                  |

Revised 10/7/2010



## **Notice of Service of Process**

WCE / ALL Transmittal Number: 8066685 Date Processed: 10/05/2010

**Primary Contact:** 

Mark G Lammert

Compliance Solutions Inc. 740 Florida Central Parkway

Suite 2028

Longwood, FL 32750

Entity:

Ernest Communications. Inc.

**Entity ID Number** 

**Entity Served:** 

Ernest Communications, Inc.

Title of Action:

Petition of the Office of Regulatory Staff for Commission to Order a Rule to Show Cause as to Why The Certificates of Public Convenience and Necessity for

Certain Providers of Telecommunications

Document(s) Type:

Petition

Nature of Action:

Other

Court:

Public Service Commission, South Carolina

Case Number:

N/A

**Jurisdiction Served:** 

South Carolina

Date Served on CSC:

10/04/2010

**Answer or Appearance Due:** 

Other N/A

**Originally Served On:** 

CSC

**How Served:** 

Regular Mail

Sender Information:

C. Lessie Hammonds

803-737-0803

Information contained on this transmittal form is for record keeping, notification and forwarding the attached document(s). It does not constitute a legal opinion. The recipient is responsible for interpreting the documents and taking appropriate action.

#### To avoid potential delay, please do not send your response to CSC

CSC is SAS70 Type II certified for its Litigation Management System. 2711 Centerville Road Wilmington, DE 19808 (888) 690-2882 | sop@cscinfo.com

#### BEFORE

## THE PUBLIC SERVICE COMMISSION

## OF SOUTH CAROLINA

## DOCKET NO. 2010-\_\_\_--C

#### September 29, 2010

| IN RE: Petition of the Office of Regulatory   | ) |   |
|---|---|---|
| Staff for Commission to Order a Rule to Show Cause as to Why The Certificates of Public Convenience and | ) | PETITION OF THE OFFICE OF<br>REGULATORY STAFF FOR A RULE TO<br>SHOW CAUSE AS TO WHY<br>CERTIFICATES OF PUBLIC |
| Necessity for Certain Providers of Telecommunications Services Should Not be Revoked                    | ) | CONVENIENCE AND NECESSITY SHOULD NOT BE REVOKED   |

The Office of Regulatory Staff, by filing this petition, would respectfully show and request of the Commission that:

- 1. The Public Service Commission of South Carolina ("the Commission") is a state agency constituted pursuant to the laws of the State of South Carolina with its business offices located in Columbia, South Carolina. Further, the Commission is responsible for the regulation of telephone utilities operating for compensation as set forth in S.C. Code Ann. §58-9-10 et seq. (Supp. 2009).
- 2. The South Carolina Office of Regulatory Staff ("ORS") is charged with the duty to protect the public interest pursuant to S.C. Code Ann. §58-4-10, et seq. (Supp. 2009).
- 3. The Telecommunications Companies ("Telephone Companies") listed in Exhibit A are certificated "telephone utilities" as defined in S.C. Code Ann. §58-9-10(6) (1976) in that they are persons or corporations, their lessees, assignees, trustees, receivers or other successors in interest owning or operating in this State equipment or facilities for the transmission of

intelligence by telephone for hire, including all things incident thereto and related to the operation of telephones.

- 4. The Telecommunications Companies listed in Exhibit A are subject to the jurisdiction of this Commission pursuant to S.C. Code Ann. §58-9-710 et seq. (1976 & Supp. 2009). Further, these Telecommunications Companies have submitted themselves to the jurisdiction of the Commission by their holding a Certificate of Public Convenience and Necessity as indicated in Exhibit A.
- 5. The Telecommunications Companies listed in Exhibit A, upon receiving their Certificates of Public Convenience and Necessity, were found to possess the technical, financial, and managerial resources sufficient to provide the services requested. S.C. Code Ann. §58-9-280(B)(1) (Supp. 2009).
- 6. ORS has the responsibility to ensure that telephone utilities are filing certain reports. "Subject to the approval of the Commission, the Office of Regulatory Staff may require any telephone utility to file annual reports in such form and of such content as the Office of Regulatory Staff may require and special reports concerning any matter about which the Office of Regulatory Staff is authorized to inquire or to keep itself informed or which it is required to enforce." S.C. Code Ann. § 58-9-370(A) (Supp. 2009).
- 7. The Universal Service Fund ("USF") is administered by the ORS under guidelines adopted by the Commission. S.C. Code Ann. § 58-9-280(E) (Supp. 2009).
- 8. The Commission USF guidelines approved in Order No. 2001-996, requires each carrier to file on an annual basis the information necessary to allow ORS to calculate the carrier's contribution. The annual filing referred to as the Universal Service Fund Contribution Worksheet ("USF Report").

- 9. The Telecommunications Companies listed in Exhibit A have failed to file annual USF Reports for the year ending 2009.
- 10. Pursuant to 26 S.C. Code Regs 103-830.B.1, "if a person other than the petitioner is named in a petition for a declaratory order or in a petition for a rule to show cause, the Chief Clerk shall cause a copy of the petition to be mailed to such named person within 14 days of the filing of the petition." In order to assist the Commission in serving this Petition on the Respondents, the Office of Regulatory Staff has provided information in Exhibit A as to the status of each Telecommunications Company and whether the entity is a foreign or domestic business entity. S.C. Code Ann. §§ 15-9-210, 240, 245 (1976), set forth the procedures for serving foreign and domestic business entities.
- 11. The information for the business entities listed in Exhibit A accurately reflects the information on file with the South Carolina Secretary of State. See Exhibit B, Affidavit of Thomas H. Allen.
- 12. "Each telephone utility shall obey and comply with each and every requirement of every order, decision, direction, rule or regulation made or prescribed by the Commission and every direction, rule or regulation made or prescribed by the Office of Regulatory Staff in the performance ... or in relation to any other matter in any way relating to or affecting the business of such telephone utility and shall do everything necessary or proper in order to secure compliance with and observance of every such order, decision, direction, rule or regulation by all of its officers, agents and employees." S.C. Code Ann. § 58-9-390 (Supp. 2009).
- 13. Pursuant to S.C. Code Ann. §58-9-1120 (Supp. 2009), "the Commission may ... conduct such other hearings as may be required in the administration of the powers and duties

conferred by Articles 1 through 13 of this chapter and by other laws relating to telephone utilities."

## WHEREFORE, the ORS staff prays that the Honorable Commission:

- l. Enter an order establishing a Rule to Show Cause instituting a formal proceeding against the persons and business entities listed in Exhibit A.
- 2. For the persons and business entities listed in Exhibit A, pursuant to 26 S.C. Code Regs. 103-830.B.1, cause a copy of this petition to be served upon such named respondents or other proper person or entity within 14 days of the filing of the petition.
- 3. Require the parties to submit an Answer to this Petition within the deadlines prescribed by the Commission's rules and regulations.
- 4. Schedule and conduct a formal administrative hearing to address disputed issues of fact and law regarding the Certificate pursuant to S.C. Code Ann. §58-9-820 (Supp. 2009).
- 5. Pursuant to 26 S.C. Code Regs 103-846.C, take judicial notice of the Commission's records in that the required USF Reports for the year ending 2009 have not been filed for the Telecommunications Companies listed in Exhibit A.
- 6. Find that the Telecommunication Companies listed in Exhibit A have not complied with orders, decisions, directions, rules and regulations made or prescribed by the Commission.
- 7. Enter a final order canceling the Certificates of Public Convenience and Necessity held by the carriers listed in Exhibit A.
  - 8. For other appropriate action which the Commission may deem necessary.

C. Lessie Hammonds, Esquire

South Carolina Office of Regulatory Staff

1401 Main Street, Suite 900 Columbia, South Carolina 29201

Phone: (803) 737-0803 Fax: (803) 737-0895

Email: <u>lhammon@regstaff.sc.gov</u>

September 29, 2010 Columbia, South Carolina

# OUT OF COMPLIANCE RTSC DOCKET No. 2010- -C

**EXHIBIT A** 

|             | # OrganizationName   | Registered Anent   | of State              | Foreign or |                | * | Date<br>Certificate |
|-------------|--|--|-----------------------|------------|----------------|---|---------------------|
|             | Andiamo Telecom, L.L.C.  |  | Status                | Domestic   | Docket #       | Order #                                 | penss               |
| •           | Joseph M. Rao-General Manager<br>10575 N. 114th, Suite 103                         | Business Filings International 2 Office Park Court, Suite 103                            |                       |            |                |   |                     |
| 1           | Comcast Business Communications, LLC   | Columbia, SC 29223   | Good Standing         | Foreign    | 2004-252-C     | 2005-75                                 | 02/10/05            |
|             | Richard WolfeSenior Director<br>600 Galleria Parkway<br>Atlanta, GA 30339          | C T Corporation System 2 Office Park Court, Suite 103                                    | <u>:</u>              | ·          |                |   |                     |
|             | Ernest Communications, Inc.  | 07707 O (10700)  | Good Standing         | Foreign    | 1998-148-C     | 1998-579                                | 07/28/98            |
| <u>~~~~</u> |  | Corporation Service Company 1703 Laurel St.  |                       |            |                |   |                     |
|             | Norcross, GA 30092 Genesis Telecommunications Company, LLC                         | Columbia, SC 29201   | Reinstatement         | Foreign    | 2001-447-C     | 2002-90                                 | 02/06/02            |
| 4           | Ken JeffersonPresident<br>PO Box 675   | John Lawrence  |                       |            |                |   |                     |
|             | Greenwood, SC 29648  | Greenwood, SC 29646  | Good Standing         | Domestic   | 2000 250 0     | 2000                                    |                     |
|             | Global NAPS South Carolina, Inc.<br>James R. J. Scheltema, Directory of Renulatory |  |                       |            | 7-000-0007<br> | 2000-973                                | 10/2//00            |
|             |  | C T Cornoration System   |                       |            |                |   | -                   |
|             | 89 Access Rd, Suite B<br>Norwood, MA, 02062  | 2 Office Park Court, Suite 103   |                       |            |                |   |                     |
|             | iBasis Retail, Inc.  | Columbia, SC 29223   | Forfeiture            | Foreign    | 2001-503-C     | 2002-258                                | 04/10/02            |
| <b></b>     | Ellen SchmidtSenior Counsel<br>20 Second Ave                                       | C T Corporation System   |                       |            |                |   | ,                   |
|             | Burlington, MA 01803<br>Netloiix Telecom, Inc.                                     | Columbia, SC 29223   | Good Standing Foreign | Foreign    | 2009-201-C     | 2009-667                                | 09/24/09            |
| ^           |  | National Registered Agents, Inc.<br>2 Office Park Court Suite 103                        |                       |            | •              | -·                                      |                     |
|             | X 76180 aa Affinity  | Columbia, SC 29223   | Reinstatement         | Foreign    | 1999-485-C     | 2000-463                                | 00/50/90            |
| œ           |  | National Registered Agents, Inc.<br>2 Office Park Court, Suite 103<br>Columbia, SC 29223 | or of or              |            |                |   |                     |
|             |  |  |                       | Foreign    | 2001-302-C     | 2002-218                                | 03/26/02            |

# OUT OF COMPLIANCE RTSC DOCKET No. 2010-\_\_\_\_C

**EXHIBIT A** 

|          |                                    |                                 | Secretary                                    |            |            |          | Date        |
|----------|------------------------------------|---------------------------------|--|------------|------------|----------|-------------|
| #        |                                    | Registered Agent                | ol State                                     | roreign or |            |          | Certificate |
|          | Nextlink Wireless, Inc.            |                                 | Siging                                       | Domestic   | Docket #   | Order #  | Issued      |
| <u></u>  |                                    | Corporation Service Company     |  |            |            | -        |             |
| •        |                                    | 1703 Laurel St.                 |  |            |            |          |             |
|          | Herndon, VA 20171                  | Columbia, SC 29201              | Cood Standing                                |            | 0          |          |             |
|          | Norstar Telecommunications, LLC    |                                 | Coor Stallully                               | roreign    | 2006-70-C  | 2006-369 | 90/60/90    |
| 7        |                                    | TCS Corporate Services Inc      |  |            |            | ٠ ـ      |             |
| <u> </u> |                                    | 2 Office Park Court             |  | •          |            |          |             |
|          | Vienna, VA 22182                   | Columbia. SC 29223              | موالمورض لمرور                               |            |            |          |             |
|          | Telecare, Incorporated             |                                 | GOOD SIGNIGHTY                               | roreign    | 2007-283-C | 2007-905 | 12/18/07    |
| -        |                                    | Corporation Service Company     |  | •          |            | _        |             |
| :        |                                    | 1703 Laurel St                  |  | -          |            |          |             |
|          | Noblesville, IN 46060              | Columbia SC 29201               | 4. 1. 4. 4. 4. 4. 4. 4. 4. 4. 4. 4. 4. 4. 4. | - ·        |            |          |             |
|          | Telenational Communications, Inc.  |                                 | Count Standing Foreign                       | roreign    | 1992-320-C | 1992-891 | 10/21/92    |
| 15       |                                    | Incorp Services Inc             |  | -          |            |          |             |
| !        |                                    | 317 Ruth Vista                  |  |            |            |          |             |
|          | Omaha, NE 68134                    | Lexination SC 29073             |  |            |            |          |             |
|          | U.S. South Communications, Inc.    |                                 | GOOD Standing                                | Foreign    | 2002-266-C | 2003-97  | 02/22/03    |
| 7        |                                    | Comporation Service Company     |  | -          |            |          |             |
| 2        |                                    | 1703 Laurel St                  |  | -          |            |          |             |
|          | Atlanta GA 30303                   | Columbia, SC, 29201             |  |            | ,          |          |             |
|          | Uni-Tel Communications Group, Inc. |                                 | Cood Standing                                | Foreign    | 1996-17-C  | 1996-302 | 04/25/96    |
| 14       |                                    | National Registered Agents Inc. |  |            |            |          |             |
|          |                                    | 2 Office Park Court, Suite 103  |  |            |            |          |             |
|          | Naperville, IL 60563               | Columbia SC 20223               |  |            |            |          |             |
|          | Universal Telecom, Inc.            |                                 | Good Standing                                | Foreign    | 2000-403-C | 2001-299 | 04/05/01    |
| 5        | Shannon Gray-Regulatory Officer    | IC T Corporation System         |  | -          |            |          | <del></del> |
|          | PO Box 679                         | 2 Office Park Court, Suite 103  |  | -          |            |          |             |
|          | LaGrange, KY 40031                 | Columbia, SC 29223              | Good Standing                                | Foreign    | 1000 251 C | 000      |             |
|          |                                    |                                 |  | -          | J-+00-6661 | 1989-880 | 12/16/99    |

#### **BEFORE**

## THE PUBLIC SERVICE COMMISSION

## OF SOUTH CAROLINA

| <b>DOCKET</b> | NO. |  |
|---------------|-----|--|
|               |     |  |

September 29, 2010

| IN RE: Petition of the Office of Regulatory Staff for Commission to Order a Rule to Show Cause as to Why The Certificates of Public Convenience and Necessity for Certain Providers of Telecommunications Services Should Not be Revoked | ) ) AFFIDAVIT OF THOMAS H. ALLEN ) ) |
|--|--------------------------------------|
|--|--------------------------------------|

The Affiant, after having been first duly sworn, deposes and states as follows:

- 1) My name is Thomas Allen and I am employed by the Office of Regulatory Staff ("ORS") as the Tariff Administrator.
- 2) My office is located at 1401 Main Street, Columbia, South Carolina, 29201.
- 3) I and/or personnel under my direction researched the South Carolina Secretary of State's website in order to determine the corporate status of the business entities listed in Exhibit A of this petition.
- 4) I attest that, to the best of my knowledge, the corporate statuses of the business entities listed in Exhibit A are accurate.

AND FURTHER THE AFFIANT SAYETH NOT.

THOMAS H. ALLEN **Tariff Administrator** Office of Regulatory Staff 1401 Main Street, Suite 900

Columbia, South Carolina 29201

Sworn and subscribed before me this day of systems , 20 10

Notary Fublic for South Carolina
My Commission Expires: 1/22/201

## **BEFORE**

## THE PUBLIC SERVICE COMMISSION

## OF SOUTH CAROLINA

**DOCKET NO. 2010-\_\_\_-C** 

| TA T | T T  |
|------|------|
| IN   | RE:  |
| TIA  | ILL. |
|      |      |

| Petition of the Office of Regulatory Staff for<br>Commission to Order a Rule to Show Cause<br>as to Why The Certificates of Public<br>Convenience and Necessity for Certain<br>Providers of Telecommunications Services<br>Should Not be Revoked | ) ) CERTIFICATE OF ) SERVICE ) |
|--|--------------------------------|
|  | )                              |

This is to certify that I, Chrystal L. Morgan, have this date served one (1) copy of the PETITION FOR RULE TO SHOW CAUSE in the above-referenced matter to the person(s) named below by causing said copy to be deposited in the United States Postal Service, first class postage prepaid and affixed thereto, and addressed as shown below:

| Andiamo Telecom, L.L.C.              | P. C.                                   |
|--------------------------------------|---|
|                                      | Ernest Communications, Inc.             |
| c/o Business Filings International   | c/o Corporation Service Company         |
| 2 Office Park Court, Suite 103       | 1703 Laurel St.                         |
| Columbia, SC 29223                   | Columbia, SC 29201                      |
| Comcast Business Communications, LLC | Genesis Telecommunications Company, LLC |
| c/o C T Corporation System           | c/o John Lawrence                       |
| 2 Office Park Court, Suite 103       | 1117 Reynolds Ave                       |
| Columbia, SC 29223                   | Greenwood, SC 29646                     |
| Global NAPS South Carolina, Inc.     | iBasis Retail, Inc.                     |
| c/o C T Corporation System           | c/o C T Corporation System              |
| 2 Office Park Court, Suite 103       | 2 Office Park Court, Suite 103          |
| Columbia, SC 29223                   | Columbia, SC 29223                      |
| Netlojix Telecom, Inc.               | Nextlink Wireless, Inc.                 |
| c/o National Registered Agents, Inc. |   |
| 2 Office Park Court, Suite 103       | c/o Corporation Service Company         |
| Columbia, SC 29223                   | 1703 Laurel St.                         |
|                                      | Columbia, SC 29201                      |
| Network US, Inc. dba Affinity        | Norstar Telecommunications, LLC         |
| c/o National Registered Agents, Inc. | c/o TCS Corporate Services, Inc.        |
| 2 Office Park Court, Suite 103       | 2 Office Park Court                     |
| Columbia, SC 29223                   | Columbia, SC 29223                      |

| Uni-Tel Communications Group, Inc.<br>c/o National Registered Agents, Inc.<br>2 Office Park Court, Suite 103<br>Columbia, SC 29223 | Telecare, Incorporated c/o Corporation Service Company 1703 Laurel St. Columbia, SC 29201                   |
|--|---|
| Universal Telecom, Inc.<br>c/o C T Corporation System<br>2 Office Park Court, Suite 103<br>Columbia, SC 29223                      | Telenational Communications, Inc.<br>c/o Incorp Services, Inc.<br>317 Ruth Vista<br>Lexington, SC 29073     |
|  | U.S. South Communications, Inc.<br>c/o Corporation Service Company<br>1703 Laurel St.<br>Columbia, SC 29201 |

Chrystal L. Morgan

September 29, 2010 Columbia, South Carolina



Ernest Communications, Inc.

State of South Carolina Office of Regulatory Staff 1401 Main Street, Suite 900 Columbia, SC 29201 c/o Corporation Service Company 1703 Laurel St. Columbia, SC 29201